

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6421**

**BILL NUMBER:** HB 1042

**NOTE PREPARED:** Jan 29, 2008

**BILL AMENDED:** Jan 29, 2008

**SUBJECT:** Intent to Sell Sexually Explicit Products.

**FIRST AUTHOR:** Rep. Goodin

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) The bill requires a person that intends to sell sexually explicit materials, products, or services to register and file a statement with the Secretary of State. It requires the Secretary of State to notify certain local officials of the county in which the person locates the business.

It also provides that a person that sells sexually explicit materials, products, or services without registering and filing the statement commits a Class B misdemeanor.

**Effective Date:** July 1, 2008.

**Explanation of State Expenditures:** (Revised) The bill could minimally increase costs for the Secretary of State to receive the registration and communicate with the appropriate county executive, municipal executive, or zoning board concerning the receipt of the registration.

**Explanation of State Revenues:** There are no data to indicate how many offenders may be convicted of knowingly or intentionally violating this requirement to register with the Secretary of State. If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class B misdemeanor is \$1,000. Criminal fines are deposited in the Common School Fund.

If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$17), public

defense administration fee (\$3), court administration fee (\$3), judicial insurance adjustment fee (\$1), and the DNA sample processing fee (\$1) are deposited into the state General Fund.

**Explanation of Local Expenditures:** A Class B misdemeanor is punishable by up to 180 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

**Explanation of Local Revenues:** If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. In addition, several additional fees may be collected at the discretion of the judge and depending upon the particular type of criminal case.

**State Agencies Affected:** Secretary of State.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:**

**Fiscal Analyst:** Karen Firestone, 317-234-2106.